



## Memo

**To:** Fred Burmont, City Administrator  
**From:** Michael Leslie  
**Dept :** Finance  
**Date:** April 2, 2004  
**Re:** Monthly Report for the Month of March

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Sales taxes collected in the month of January 2004, were received by the Finance Department on March 12<sup>th</sup>, 2004. The City collected \$62,689 reflecting \$1,607,406 in taxable sales for businesses operating in the city during the month of January. This month's sales tax revenues are 36.9% lower, prior to any adjustments, than those collected during this same period in January 2003. In January 2003, taxable sales were reported at \$2,546,139 with city sales tax collections at \$91,661.

However, there is cause to include adjustments to this month's sales tax collection: upon receipt and analysis of the report from the Department of Revenue it was discovered that sales tax collections for local utility consumption from Colorado Springs Utilities had been paid to another municipality in error. This error will be rectified by the Department of Revenue during the month of April.

Additionally, in January of 2003, the City received a large sales tax sum from a computer manufacturer based on the direct sales of a local company. The City has not received any such tax payment from either the manufacturer or the local company, which remains in business, in 2004 and the potential for a like payment still exists.

In conclusion, if both of these conditions are factored into January's sales tax collection, to include the .3% sales tax increase effective January 1, the City's sales tax revenues would be 6.1% higher, in FY 2003 terms, than sales taxes collected during this same period in 2003.

Progress continues with the Shoshone Spring Demonstration Project, the 1<sup>st</sup> phase of the multi-year Downtown Revitalization Project. This month's progress includes 2

meetings with the Colorado Department of Transportation, a project briefing and a project scoping meeting with CDOT departmental specialists, as well as one meeting to provide a project briefing for a representative of the Federal Highway Administration. The City's project funding contract with CDOT has been signed at both ends; however a notice to proceed has not been issued as yet. CDOT assures the City that this project is on time and on course for its construction start this summer. Nolte Associates has held 4 biweekly progress meetings before the Manitou Avenue Liaison Group. Nolte remains in the inventory and preliminary design phases of the project with construction slated for July. Progress meetings are held every 2<sup>nd</sup> and 4<sup>th</sup> Thursday in Council Chambers.

The Finance Department submitted a number of reports required by outside agencies that were due in March. Those reports included a wage study for the Colorado Municipal League, certification of the City's conservation trust expenditures for the State Conservation Trust Fund Administrator and an application for exemption from audit for the Metropolitan District.

The Finance Department has been working through the month of March with Jaspers + Hall (previously the public accounting firm headed by Bob Bressan) in preparation for our independent audit of the year ending December 31, 2003. Jaspers + Hall are scheduled to present the audit report to City Council during the regular city council meeting on April 20, 2004.